

## Testimony of Clinton Morris of Decherd, TN

Mr. Chairman, Members of the House Committee on Agriculture, thank you for allowing me to appear before you here today. Also, I would like to thank Congressman Lincoln Davis from Tennessee's Fourth Congressional District for his personal invitation to be here to talk about the effect the 2002 Farm Bill has had on the family farm.

I am a third generation farmer from a small town in southern middle Tennessee. We farm approximately 2500 acres of row crops including wheat, corn, and soybeans. We also have approximately 100 head of beef cattle.

My wife and I have three sons; all have grown up working on the family farm. They are 27, 22, and 21 and all still work on the farm in varying degrees. Ryan, the oldest, graduated from Tennessee Tech in 2001. He works as a Quality Assurance Technologist at Nissan North America Inc. in Decherd, TN. Jacob, graduated from Motlow State Community College and is currently farming. Drew, the youngest, attends Tennessee Tech in Cookeville and farms part-time. Sandra, my wife, is an elementary principal in Manchester, TN and works in her spare time on the farm, also. The family farm is a very important part of our lives.

We are here to talk about the 2002 Farm Bill and challenges we are faced with today as you formulate the next farm bill. The first question we ask ourselves is, "Are we as well off as we were in 2002?" The answer is a resounding, "NO!" The last five years have been difficult ones for the family farmer. The 2002 Farm Bill helped me remain in business over the last five years in a lean farm economy. Because of low commodity prices of corn, soybeans, and wheat which are the primary crops that we grow and the increasing cost of fertilizer, seed, chemicals, diesel, gas, oil, tires, and farm equipment, it has been hard to survive in farming. In fact, without the farm subsidy program, we could not have made our land, equipment and operating bills.

For example, the basic fertilizer price has increased 43% over the last 5 years. In our area, it cost approximately \$374.39 to plant an acre of corn according to the University of TN Dept. of Agriculture. This does not include any drying, handling, or transportation cost. It is a very minimal budget for production of an acre of corn. Using our county average for the last five years on corn yields according to the University of TN the average yield is 138 bushel per acre. The cost to produce is \$2.71 per bushel. The average price for the five year period is \$2.21 per bushel, leaving the farmer with a loss of .50 per bushel without the 2002 Farm Bill Subsidy Program.

Also, in our area it cost approximately \$248.00 to plant an acre of soybeans according to the University of TN Dept. of Agriculture. Again, this does not include drying, handling, and transportation costs. Using the University of Tennessee average price of soybeans @ \$5.42 per bushel times average county yield for five years of 36.20 bushels = \$196.20 per acre for a lost of \$52.00 per acre. Again, the Farm Subsidy Program has to make up the difference or the farmer is in trouble.

From these two examples, you can see where our family farm would be without the 2002 Farm Bill Subsidy Program. We have drawn a total of \$178, 969.00 over the five years the bill has been in existence. This is an average of \$35, 793.80 per year which was needed to help off set the cost of production of approximately 2500 acres of crops per year. Over the last five years, our fertilizer costs have gone up 43%, diesel fuel 64%, machinery an average of 33%, but our commodity prices have basically stayed the same.

I realize that our government cannot be the answer to all cash problems, but the subsidy for agriculture programs is woefully short and needs serious attention. In many cases, the subsidy is the difference between a farmer covering expenses or not. I can think of no other industry that requires so much capital for such a small potential profit. I say potential profit because of weather and other factors beyond our control could mean we incur heavy losses. So, my question to you is, "How can we purchase \$250,000 combines, \$150,000 tractors, \$400.00 per ton fertilizer, \$3.00 per gallon fuel, \$1.75 per gallon propane along with high priced seeds and chemicals while our commodity prices remain about the same?" On the other hand, we have a big corporation like Exxon setting a corporation record in America of 10 billion dollars profit in one quarter during a national disaster, Hurricane Katrina.

I imagine most, if not all of you, are familiar with agriculture and rural America and realize the importance of helping the family farm survive. I encourage you to take the steps necessary to not only help the American farmers survive, but make it desirable for their families, and my family, to carry on.